

MT LEGISLATIVE HISTORY

Chapter 446 19 87

Bill H (S) 359

Original bill & hist. C

H. Committee on Business & Labor

S. Committee on Labor & Employment Relations

Hearing Date(s) Mar 18 ✓ C

Hearing Date(s) Feb 19 ✓ C

 C

Feb 21 ✓ C

 C

 C

 C

 C

Date Out Mar 18 ✓ C

Feb 21 ✓ C

nt 3-18

nt 2-21

Did this bill originate in an interim committee? Yes No

Committee

Report

NOTE: The testimony of Don Judge before the Senate Committee was also presented before the House Committee. For the sake of economy it was photocopied once.

SENATE FINAL STATUS

SB 357

INTRODUCED BY HAFHEY, FARRELL
 REQUIRE ELECTION MATERIAL FILED BEFORE PUBLICATION;
 5-DAY COMPLIANCE RULE
 BY REQUEST OF SENATE STATE ADMINISTRATION
 COMMITTEE

2/17	INTRODUCED		
2/17	REFERRED TO STATE ADMINISTRATION		
2/20	HEARING		
2/20	COMMITTEE REPORT--BILL PASSED AS AMENDED		
2/23	2ND READING PASSED	38	8
2/25	3RD READING PASSED	31	18

TRANSMITTED TO HOUSE

3/03	REFERRED TO STATE ADMINISTRATION		
3/17	HEARING		
3/17	COMMITTEE REPORT--BILL CONCURRED		
3/20	2ND READING CONCURRED AS AMENDED	95	2
3/23	3RD READING CONCURRED	98	0

RETURNED TO SENATE WITH AMENDMENTS

3/26	2ND READING AMENDMENTS CONCURRED	49	1
3/27	3RD READING AMENDMENTS CONCURRED	42	8
4/01	SIGNED BY PRESIDENT		

4/02 TRANSMITTED TO GOVERNOR

4/02 SIGNED BY SPEAKER

4/07 SIGNED BY GOVERNOR

CHAPTER NUMBER 368 EFFECTIVE DATE: 10/01/87

SB 358

INTRODUCED BY NEUMAN
 ENFORCEABILITY OF DISHONORED CHECK TO PREMISES
 OFFERING CARD GAMES

2/17	INTRODUCED		
2/17	REFERRED TO BUSINESS & INDUSTRY		
2/19	HEARING		
2/19	COMMITTEE REPORT--BILL PASSED		
2/21	2ND READING PASS MOTION FAILED	21	24
2/21	2ND READING INDEFINITELY POSTPONED	31	15

SB 359

INTRODUCED BY HAFHEY, PAVLOVICH, JACOBSON, ET AL.
 PROVIDE THAT STATE MINIMUM WAGE APPLIES TO EMPLOYEES
 COVERED BY FEDERAL LAW

2/17	INTRODUCED		
2/17	REFERRED TO LABOR & EMPLOYMENT RELATIONS		
2/19	HEARING		
2/21	COMMITTEE REPORT--BILL PASSED AS AMENDED		
2/24	2ND READING PASSED	50	0
2/25	3RD READING PASSED	50	0

TRANSMITTED TO HOUSE

3/03	REFERRED TO BUSINESS & LABOR		
3/18	HEARING		
3/18	COMMITTEE REPORT--BILL CONCURRED AS AMENDED		
3/28	2ND READING CONCURRED	86	0
3/30	3RD READING CONCURRED	98	0

RETURNED TO SENATE WITH AMENDMENTS

4/02	2ND READING AMENDMENTS CONCURRED	50	0
4/03	3RD READING AMENDMENTS CONCURRED	49	0
4/06	SIGNED BY PRESIDENT		

SENATE FINAL STATUS

4/07 TRANSMITTED TO GOVERNOR
 4/07 SIGNED BY SPEAKER
 4/09 SIGNED BY GOVERNOR
 CHAPTER NUMBER 446 EFFECTIVE DATE: 4/09/87

SB 360 INTRODUCED BY BISHOP, SPAETH
 NOTICE REQUIREMENTS FOR PUBLIC CONSTRUCTION SUPPLIER
 ON RIGHT AGAINST BOND

2/17 INTRODUCED
 2/17 REFERRED TO BUSINESS & INDUSTRY
 2/19 HEARING
 2/20 COMMITTEE REPORT--BILL PASSED AS AMENDED
 2/23 2ND READING PASSED 50 0
 2/25 3RD READING PASSED 50 0

TRANSMITTED TO HOUSE
 3/03 REFERRED TO BUSINESS & LABOR
 3/18 HEARING
 3/20 COMMITTEE REPORT--BILL CONCURRED
 3/28 2ND READING CONCURRED AS AMENDED 92 0
 3/30 3RD READING CONCURRED 97 0

RETURNED TO SENATE WITH AMENDMENTS
 4/03 2ND READING AMENDMENTS NOT CONCURRED 50 0
 4/07 CONFERENCE COMMITTEE APPOINTED
 4/16 CONFERENCE COMMITTEE REPORT
 4/17 2ND READING CONFERENCE COMMITTEE
 REPORT ADOPTED 41 0
 4/20 3RD READING CONFERENCE COMMITTEE
 REPORT ADOPTED 50 0

HOUSE
 4/14 CONFERENCE COMMITTEE APPOINTED
 4/16 CONFERENCE COMMITTEE REPORT
 4/20 2ND READING CONFERENCE COMMITTEE
 REPORT ADOPTED 94 4
 4/21 3RD READING CONFERENCE COMMITTEE
 REPORT ADOPTED 91 7

4/23 SIGNED BY PRESIDENT
 4/24 SIGNED BY SPEAKER

4/24 TRANSMITTED TO GOVERNOR
 5/11 SIGNED BY GOVERNOR
 CHAPTER NUMBER 637 EFFECTIVE DATE: 10/01/87

SB 361 INTRODUCED BY HALLIGAN
 REVISE YOUTH COURT ACT
 BY REQUEST OF BOARD OF CRIME CONTROL

2/18 INTRODUCED
 2/18 REFERRED TO JUDICIARY
 2/18 FISCAL NOTE REQUESTED
 2/19 HEARING
 2/20 STATEMENT OF INTENT ADOPTED
 2/20 COMMITTEE REPORT--BILL PASSED AS AMENDED
 2/23 2ND READING PASSED 50 0
 2/25 3RD READING PASSED 48 2
 2/25 FISCAL NOTE RECEIVED

TRANSMITTED TO HOUSE
 3/02 REVISED FISCAL NOTE REQUESTED
 3/03 REFERRED TO JUDICIARY

1 *Senate* BILL NO. *359*
 2 INTRODUCED BY *Staffy Carlson Jasalsen*
 3 *Donell J. Brown Keenan Richard E. Manning*
 4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE STATE
 5 MINIMUM WAGE LAWS TO REQUIRE THE STATE MINIMUM WAGE RATES TO
 6 BE SET IN ACCORDANCE WITH FEDERAL LAW, TO ALLOW THE STATE
 7 MINIMUM WAGE LAW TO APPLY TO EMPLOYEES COVERED BY THE FAIR
 8 LABOR STANDARDS ACT, AND TO EXCLUDE TIPS FROM THE MINIMUM
 9 WAGE PAID TO MONTANA EMPLOYEES; AMENDING SECTIONS 39-3-402,
 10 39-3-404, AND 39-3-408, MCA; AND PROVIDING EFFECTIVE DATES."
 11
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 13 Section 1. Section 39-3-402, MCA, is amended to read:
 14 "39-3-402. Definitions. As used in this part the
 15 following definitions apply:
 16 (1) "Commissioner" means the commissioner of labor and
 17 industry.
 18 (2) "Employ" means to suffer or permit to work.
 19 (3) "Employee" includes any individual employed by an
 20 employer.
 21 (4) "Farm or ranch" shall mean any endeavor primarily
 22 engaged in cultivating the soil or in connection with
 23 raising or harvesting any agricultural or horticultural
 24 commodity, including the raising, shearing, feeding, caring
 25 for, training, and management of livestock, bees, and

1 poultry and fur-bearing animals and wildlife.
 2 (5) "Farm worker" means any person employed to do any
 3 service performed on a farm or ranch.
 4 (6) "Occupation" means any occupation, service, trade,
 5 business, industry, or branch or group of industries or
 6 employment or class of employment in which employees are
 7 gainfully employed.
 8 (7) "Wage" means compensation due to an employee by
 9 reason of his employment, payable in legal tender of the
 10 United States or check on banks convertible into cash on
 11 demand at full face value, subject to such allowance as may
 12 be permitted by regulations of the commissioner under
 13 39-3-403. The term "wage" includes the reasonable cost to
 14 the employer of furnishing such employee with board,
 15 lodging, or other facilities, if such board, lodging, or
 16 other facilities are customarily furnished by such employer
 17 to his employees; provided, however, that in no case shall
 18 such inclusion exceed an amount equal to 40% of the total
 19 wage paid by such employer to such employee. The term wage
 20 does not include the value of any tips received by an
 21 employee as a gratuity for service."
 22 Section 2. Section 39-3-404, MCA, is amended to read:
 23 "39-3-404. Minimum wage. (1) Except as otherwise
 24 provided in this part and except for farm workers as
 25 provided in subsection (2), every employer shall pay to each

1 of his employees: a wage of not less than the applicable
 2 minimum wage as determined by the commissioner in accordance
 3 with [section 4].

4 ~~{a}--at--least--\$3.05-an-hour-after-September-30,1985,~~
 5 ~~and-before-October-1,1986;~~

6 ~~{b}--at-least-\$3.35-an-hour-on--October--1,--1986--and~~
 7 ~~thereafter;~~

8 (2) In the case of a farm worker employed for a part
 9 of a calendar year which includes periods requiring working
 10 hours in excess of 8 hours per day and other seasonal
 11 periods requiring working hours substantially less than 8
 12 hours per day, the employer may pay the worker at a fixed
 13 rate of compensation during the term of employment. The
 14 employer may elect to:

15 (a) keep a record of the total number of hours worked
 16 by the worker during the part of the year during which the
 17 worker was employed by him (the total wages paid by such
 18 employer to such employee for that part of the year during
 19 which said employee was employed by him shall not be less
 20 than the applicable minimum wage rate multiplied by the
 21 total number of hours so worked); or

22 (b) in lieu of the minimum wage set forth herein, pay
 23 the farm worker a wage as herein defined on a monthly basis.
 24 This monthly compensation shall constitute a minimum wage
 25 and shall not be less than the following rates:

1 (i) \$575 a month for the first year from July 1, 1981;
 2 (ii) \$635 a month for the second year from July 1,
 3 1981, and thereafter."

4 Section 3. Section 39-3-408, MCA, is amended to read:
 5 "39-3-408. Provisions cumulative. The provisions of
 6 this part shall be in addition to other provisions now
 7 provided by law for the payment and collection of wages and
 8 salaries but shall not apply to employees covered by the
 9 Fair Labor Standards Act except with respect to the minimum
 10 wage."

11 NEW SECTION. Section 4. Adoption of minimum wage
 12 rates. The commissioner shall adopt rules to establish a
 13 minimum wage that must be the same minimum hourly wage rate
 14 as provided under federal law.

15 NEW SECTION. Section 5. Extension of authority. Any
 16 existing authority of the commissioner of labor and industry
 17 to make rules on the subject of the provisions of this act
 18 is extended to the provisions of this act.

19 NEW SECTION. Section 6. Codification instruction.
 20 Section 4 is intended to be codified as an integral part of
 21 Title 39, chapter 3, part 4, and the provisions of Title 39,
 22 chapter 3, part 4, apply to section 4.

23 NEW SECTION. Section 7. Effective dates. (1) Sections
 24 4 and 5 and this section are effective October 1, 1987.

25 (2) The remaining sections of this act are effective

LC 1487/01

1 January 1, 1988.

-End-

MONTANA LEGISLATIVE COUNCIL BILL STATUS SYSTEM
FINAL COMMITTEE REPORT OF REFERRED BILLS
COMMITTEE--(S) LABOR & EMPLOYMENTPAGE NBR..... 207
RUN TIME08:32
RUN DATE.... 04/22/87CHAIRMAN--SEN. JOHN "J.D." LYNCH
NORMAL SCHEDULE==> SITE: ROOM 413/415

DAYS: T-T-S

TIME: 1:00 P.M.

SECRETARY--JULIE RADEMACHER

--BILL NO--	REFER DATE	HEARING DATE	CONSIDERATION DATES	COMMITTEE ACTION	REREFERRED TO COMM	DATE OUT
SB0359	2/17	2/19	2/19/87; 2/21/87	PASS AS AMENDED	02/17/87	02/21/87
HAFFEY, JACK PROVIDE THAT STATE MINIMUM WAGE APPLIES TO EMPLOYEES COVERED BY FEDERAL LAW						
SB0388	2/20	3/10	3/10/87		02/20/87	
BOYLAN, PAUL F. SELL WORKERS' COMPENSATION STATE INSURANCE PLAN						

LABOR AND EMPLOYMENT RELATIONS

February 19, 1987

Page 6

intention of the bill was to have the department use an updated examination that would specifically address installers. Senator Walker replied yes, and to use more specific ASME standards. Senator Walker said this bill will need some amending.

Senator Thayer asked Mr. Gatzemeir if he is the person from the department who gives the examination and administers this part of the law. Mr. Gatzemeir stated he is the Safety Bureau Chief and the boiler section is under his jurisdiction. Senator Thayer asked Mr. Gatzemeir if the Oregon law Senator Walker is referring to is different from the Montana law their department follows. Mr. Gatzemeir replied Montana does not have licensing for installers.

Senator Keating asked Senator Walker who qualifies the inspector. Senator Walker replied he did not know.

Senator Keating asked Mr. Hanson what the qualifications of an inspector are. Mr. Hanson replied they must have 10 years experience as a boiler operator and have a third class engineers license for three years. He also said insurance companies have inspectors that are licensed by the National Board of Boiler and Pressure Inspectors. Senator Keating asked Mr. Hanson if the insurance company inspectors are qualified. Mr. Hanson replied that the insurance company has a procedure for their qualifications.

Senator Blaylock asked Senator Walker if this bill would affect the refineries. Senator Walker replied no, there will not be inspectors checking the refineries, the intent of the bill is that the people who work on boilers and pressure vessels must be licensed.

Senator Manning asked Mr. Gatzemeir if at the present time, is the Department of Labor set up to handle the inspections. Mr. Gatzemeir stated the department does not have the personnel or funds to handle it.

Senator Gage asked Senator Walker if people who repair boilers have to be licensed. Senator Walker replied yes.

There being no further questions of the committee, Senator Walker closed.

CONSIDERATION OF SENATE BILL NO. 359: Senator Haffey, Senate District 33, sponsor of the bill, stated the reason for this bill was that in 1985 there was an increase of the Montana minimum wage rate. Congress passed an act that affected the Fair Labor Standards Act, and in turn

LABOR AND EMPLOYMENT RELATIONS

February 19, 1987

Page 7

resulted in many Montana employees being adversely effected. The minimum wage of many Montana employees was actually lower than intended. This bill is an attempt to correct that piece of legislation. Also, this bill offers a suggestion it may be good to relate the Montana minimum wage to the federal minimum wage. This bill will correct what was not intended to happen. Senator Haffey explained this bill will need some technical amendments and some policy amendments.

PROPONENTS: Mr. Don Judge, representing the Montana AFL-CIO, gave testimony in support of SB 359. His testimony is attached as Exhibit 5.

Mr. John Ortwein, representing the Montana Catholic Conference, gave testimony in support of this bill. His testimony is attached as Exhibit 6.

Ms. Jackie Amsden, representing the Women's Lobbyist Fund, gave testimony in support of this bill. Her testimony is attached as Exhibit 7.

OPPONENTS: There were no opponents present.

QUESTIONS (OR DISCUSSION) ON SENATE BILL NO. 359:

Senator Thayer asked Mr. Judge if it is very widespread that some restaurant owners are only paying their employees \$2.01 per hour. Mr. Judge replied the people representing the Labor Standards Enforcement Division of the Department of Labor and Industry might be able to give accurate numbers.

Mr. Mike Stump, Department of Labor, stated he has no specifics, but in the last four months there have been a large number of calls from employers asking if they can lower the wages of their employees to \$2.01 if they are subject to federal law.

Senator Lynch asked Mr. Stump if the larger restaurants with a big volume would be under the federal law and would pay \$2.01 per hour, and the smaller restaurant would pay \$3.35 per hour. Mr. Stump replied yes, that is under the Montana minimum wage law.

Senator Thayer asked Mr. Stump if tips have always been considered over and above the wage, and tips are a benefit for the employee. Mr. Stump replied yes, that is correct under Montana law; however, the Fair Labors Standard Act does permit a tip credit to be used in most restaurants under the coverage of this law.

LABOR AND EMPLOYMENT RELATIONS

February 19, 1987

Page 8

Any employee who receives at least \$10 per month in tips can use a tip credit of up to 40% of the applicable minimum wage. This means an employer can pay \$2.01 per hour and be in compliance with federal law.

Senator Keating asked Mr. Judge when the Attorney General ruled that Montana law did not apply to those under the Fair Labor Standards Act, what happened to the sheriff and his deputies in regard to their wages and overtime.

Mr. Judge replied some of those employees are being paid compensation time. What Congress did was respond to a request from the League of Cities and Towns to take care of their concern about 24 hour Kelly Shift employees, the employees in a fire station who put in 48 hours per week. Under current law, those employees should have been paid overtime. Congress responded to massive debts cities were paying to cover the costs of overtime. Congress passed the Fair Labor Standard Act and that was when the sheriff's department in Lewis and Clark County wondered if this act affected them. They wondered if they could pay compensation time instead of overtime. The Attorney General ruled yes, but in doing so, under Section 19-3-408, if you are covered by the Fair Labor Standard Act, you are not covered by the state minimum wage act.

Senator Keating asked Ms. Patricia Schaffer, Assistant Attorney General, to respond to the Attorney General's rule. Ms. Schaffer stated the Attorney General was asked to resolve the dispute between federal and state law. The federal law states if there is a state law establishing a minimum wage higher, or a maximum work week lower than the federal act, the federal law would allow the state to control. The state law as currently written in Section 39-3-408, MCA, states if an employee is covered by the federal act, the provision of the state law would not apply.

Senator Keating asked Ms. Schaffer if Montana law is better for waitresses than federal law. Ms. Schaffer said yes, it is more favorable because Montana law would not allow an employer to include their tip compensation. The federal law does allow employers to include tip compensation. Senator Keating asked Ms. Schaffer which law supercedes. Ms. Schaffer stated federal law states if a state law is more favorable to the employee, then apply the state law.

LABOR AND EMPLOYMENT RELATIONS

February 19, 1987

Page 9

There being no further questions of the committee, Senator Haffey closed by stating there are messages coming from Washington, D. C. that indicate consideration of higher minimum wages for the nation. He said tying the state of Montana to that might be a cost problem, and he suggested it might be best to amend the part of the bill that asks the legislature to tie the federal minimum wage and to uncouple it.

Senator Lynch asked Senator Haffey if he wants it to uncouple. Senator Haffey replied yes.

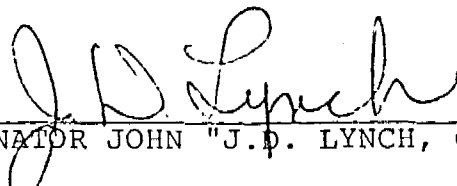
Mr. Gomez stated the changes in number 3 of the amendments are in addition to other provisions provided by law in payment or collection of salaries and wages, and shall apply to employees covered by the Fair Labor Standard Act. The provisions of that part are not only the provision of the payment of minimum wages, but it also includes the overtime compensation requirements. Mr. Gomez has some concern that there may be a conflict of law with the overtime compensation provision. Under that provision, if there is greater protection for the worker, the state law will supercede the federal law. Mr. Gomez said he is not sure Montana's law does this, and he will check into the matter further.

Mr. Judge stated they don't want this bill to affect the police, fire or sheriff's departments.

DISPOSITION OF SENATE BILL NO. 359: Senator Haffey made a motion that the amendment be adopted. The motion CARRIED UNANIMOUSLY.

DISPOSITION OF SENATE BILL NO. 350: Senator Manning made a motion that SB 350 BE TABLED. The motion CARRIED UNANIMOUSLY.

ADJOURNMENT: There being no further business to come before this committee, the hearing was adjourned at 2:30 p.m.


SENATOR JOHN "J.D." LYNCH, Chairman

ROLL CALL

LABOR AND EMPLOYMENT RELATIONS COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date Feb 19, 1987

NAME	PRESENT	ABSENT	EXCUSED
John "J.D." Lynch Chairman	X		
Gene Thayer Vice Chairman	X		
Richard Manning	X		
Thomas Keating	X		
Chet Blaylock	X		
Delwyn Gage	X		
Jack Haffey	X		
Jack Galt	X		

Each day attach to minutes.



Box 1176, Helena, Montana

JAMES W. MURRY
EXECUTIVE SECRETARY

ZIP CODE 59624
406/442-1708

TESTIMONY OF DON JUDGE ON SENATE BILL 359 BEFORE THE SENATE LABOR AND EMPLOYMENT
RELATIONS COMMITTEE, FEBRUARY 19, 1987

Good afternoon, Mr. Chairman and members of the committee. For the record, my name is Don Judge and I am here today on behalf of the Montana State AFL-CIO to testify in support of Senate Bill 359.

Members of the committee, our organization obviously favors the idea of tying the Montana minimum wage law to the federal wage guidelines. However, our support of SB 359 reflects a desire to correct a discrepancy within Montana's wage and overtime statutes that was caused by an act of congress and subsequent interpretation by Montana's attorney general.

In 1936, the congress amended the Fair Labor Standards Act and applied its provisions to employees -- particularly certain public employees -- not covered under the federal Fair Labor Standards Act (FLSA).

After this congressional amendment was enacted, the Lewis and Clark County Sheriff's Department requested a Montana attorney general's ruling on the applicability of the Fair Labor Standards Act, as amended, and its effects on Montana's minimum wage and overtime statutes.

The effect of the Montana attorney general's ruling is that wherever the Fair Labor Standards Act applies, state laws are no longer applicable.

The implications of this decision extended far beyond sheriff's deputies or even all covered public employees. The attorney general's opinion regarding the Fair Labor Standards Act applies to private sector employees in Montana as well.

This application of the Fair Labor Standards Act effectively reversed a decision by the 1985 legislature to raise Montana's minimum wage to \$3.35, without off-setting credit for tipped employees.

Let me explain. Under federal law, employers covered under the FLSA may withhold up to 40 percent of minimum wages paid, which must then be made up by tips (gratuities) received by employees.

For example, employees covered under FLSA guidelines must currently receive a \$3.35 per hour minimum wage. An employer may pay as little as \$2.01 per hour in wages, so long as the employee receives tips of at least \$1.34 per hour.

In 1985, the hotel and restaurant industry joined with other employers to support raising Montana's minimum wage to \$3.35 per hour which would off-set any wages resulting from tips paid to employees.

SENATE LABOR & EMPLOYMENT
EXHIBIT 5
DATE 2/19/87
BILL NO. SB 359

February 19, 1987

In fact, each of Montana's minimum wage levels established before the \$3.35 per hour floor was enacted, were recognized by all Montana industries as the minimum hourly compensation to be paid in wages only.

Unfortunately, the attorney general's decision negated the intent of the 1985 legislature by issuing its broad application of the FLSA.

We stand before you today to state our firm belief that standards set forth by Montana's minimum wage and overtime laws should be the minimum acceptable for all workers, regardless of FLSA guidelines.

It is our opinion that the intent of the 1985 Montana legislature was to guarantee that Montana's minimum wage of \$3.35 would be the minimum wage paid to all Montana workers, even if their vocations entitled them to patron gratuities such as tips.

For this reason, we urge you to support Senate Bill 359.

SENATE LABOR & EMPLOYMENT

EXHIBIT NO. 5DATE 2/19/87BILL NO. SB 359

AMENDMENTS TO SB359 (introduced bill)

1. Page 3, line 1
Following: "employees."
Strike; the remainder of line 1 through "(section 4)." on line 3
2. Page 3, line 4 through line 7
Add: (a) at least \$3.05 an hour after September 30, 1985
and before October 1, 1986
(b) at least \$3.35 an hour on October 1, 1986, and
and thereafter.
3. Page 4, line 8
Following: "salaries"
Strike: "but."
Insert: "and"
Following: "shall"
Strike: "not"
4. Page 4, lines 9 and 10
Following: "Act"
Strike: the remainder of line 9 through line 10.
5. Page 4, lines 11 through 14
Strike: lines 11 through 14
6. Page,4, line 15
Following: "NEW SECTION. Section"
Strike: "5"
Insert: "4"
7. Page 4, line 19
Following: "NEW SECTION: Section"
Strike: "6"
Insert: "5"
7. Page 4, line 23
Following: "NEW SECTION. Section"
Strike: "7"
Insert: "6"

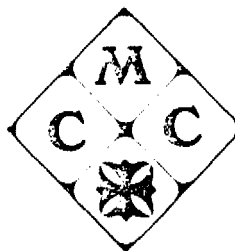
SENATE LABOR & EMPLOYMENT

DATE

2/9/87

BILL NO.

35359



Montana Catholic Conference

February 19, 1987

SENATOR LYNCH AND MEMBERS OF THE SENATE LABOR AND EMPLOYMENT COMMITTEE:

I am John Ortwein representing the Montana Catholic Conference. I am here today to speak in favor of S.B. 359.

A report entitled, "The Future of Work" released in 1983 by the AFL-CIO made the following statement: Much of the job growth in the 1980's is expected to be in the traditionally low-paying, high-turnover jobs such as sales, clerical, janitorial and food service. Too often these jobs do not have career ladders leading to higher-skilled higher-paying jobs. Often workers are forced into a choice between an inadequate wage or no wage at all.

Justice, not charity, demands that workers receive certain minimum guarantees.

It would seem to us that ^{raising} ~~raising~~ the Montana minimum wage to comply with the federal minimum wage would help workers to better support themselves and their families in dignity.

We urge your support for S.B. 359.

SENATE LABOR AND EMPLOYMENT

EXHIBIT NO. 42

DATE 2/19/87

BILL NO. SB 359



Tel. (406) 442-5761

P.O. BOX 1708

530 N. EWING

HELENA, MONTANA 59624



WOMEN'S LOBBYIST FUND

SEN 1010
FEB 17 1987
3-9-7847

Testimony in support of SB 359
Senate Labor & Employment Committee
February 19, 1987

Mr. Chairman, members of the committee:

My name is Jackie Amsden and I represent the Women's Lobbyist Fund.

We support SB 359 because it amends the minimum wage law to do what it was originally intended to do. SB 359 would correct the discrepancy that arose as a result of an April 1986 Attorney General's opinion.

Because of this opinion, some restaurants have been getting away with paying their waitresses less than the minimum wage of \$3.35. Businesses that gross over \$362,500 can let tips from customers make up 40 percent of the minimum wages that businesses should be paying. This means that some restaurants -- the larger businesses -- are paying their waitresses just \$2.01 an hour. But small businesses still are required to pay employees at least \$3.35 an hour.

And women are bearing a disproportionate burden because of this discrepancy. Most tipped employees, such as waitresses, are women. According to 1980 census data, waitresses outnumber their male counterparts 17 to 1 in Montana.

But women really cannot afford to bear this extra burden: the poverty rate for households headed by women is six times that of households headed by men. (Women's Economic Agenda, July 1984).

And when workers cannot afford to feed their families, taxpayers have to make up the loss. In fact, 80 percent of AFDC recipients are women. All taxpayers are being required to subsidize employers who do not have to pay their employees enough to live on. (Figure from Women's Economic Agenda, July 1984).

For these reasons, the Women's Lobbyist Fund urges you to give SB 359 a do pass recommendation.

SENATE LABOR & EMPLOYMENT
EXHIBIT 7
DATE 2/19/87
BILL NO. SB 359

WOMEN'S LOBBY

FILED

1987

1987

THE INTERPRETATION OF MONTANA'S MINIMUM WAGE LAW FAILS TO MEET LEGISLATIVE INTENT.

SB 359 returns Montana's Minimum Wage Law to where it was before the Attorney General's decision in April, 1986.

Before the Attorney General's opinion in April 1986, when an occupation was covered by both federal and state law, the law providing the most benefits to the employee applied. This is what the federal law requires, and what is done in other states.

After the Attorney General's opinion, when an occupation is covered by the federal law, the state law does not apply.

Federal Labor Standards Act

- tip credits allowed
- \$3.35/hour, or \$2.01 if employees are tipped
- applies only to businesses grossing over \$362,500

Montana Minimum Wages & Maximum Hours Act

- tip credits not allowed
- \$3.35/hour after 10/1/86
- applies only to areas specifically exempted from FSLA

Big restaurants can pay tipped employees \$2.01 an hour, but small restaurants are required to pay \$3.35 an hour. Businesses making over \$362,500 annually are subject to the federal law, which allows tips to be used in the computation of 40 percent of the minimum wage, and 40 percent of \$3.35 is \$2.01. However, businesses making under \$362,500 are subject to Montana law, and cannot use tip credits.

WOMEN ARE BEARING A DISPROPORTIONATE BURDEN BECAUSE OF THIS MISINTERPRETATION.

- * Waitresses outnumber their male counterparts 17 to 1 in Montana, according to 1980 census data.
- * 23 percent of working women are employed as service employees, according to the U.S. Department of Labor's 1985 statistics. This includes health service workers, however, who are not tipped.
- * The poverty rate for households headed by women is six times that of households headed by men nationwide. (Women's Economic Agenda, July, 1984).
- * Women are 80 percent of AFDC recipients and 60 percent of all social service recipients nationwide. (Women's Economic Agenda, July, 1984).

When employers start paying their workers enough money to feed their families, taxpayers will stop subsidizing women's wages.

SENATE LABOR & EMPLOYMENT
EXHIBIT NO. 7
DATE 2/19/87
BILL NO. SB 359

STATEMENT OF INTENT

____ Bill No. SB 359

A statement of intent is required for this bill because section 4 provides the commissioner of labor and industry authority to adopt rules establishing the state minimum wage.

It is the express intent of the legislature that the commissioner determine by rule the state minimum wage that must be paid employees under 39-3-404. The legislature intends that the minimum wage be the same minimum hourly wage rate established under the Fair Labor Standards Act, 29 U.S.C. 206.

It is intended that, under this act, the state minimum wage be maintained at federal minimum wage levels. Therefore, the commissioner should revise the state minimum wage in accordance with any changes in the federal minimum wage rate enacted by congress after January 1, 1988.

Labour

BILL SB 359

DATE 2/19/8

(check one)

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

passed a law for \$2.75 to be the minimum wage. It would seem the state of Montana could not employ people at \$2.75 per hour to take advantage of the federal program. Senator Haffey explained it works both ways, not being coupled or being coupled with the federal. There is no way to know what Congress will do in the future. Congress could raise the minimum wage or establish a new federal minimum wage law with categories. If Congress raised the minimum wage, those on the minimum wage would like to be tied to the federal law. Senator Keating asked if the amendments on page 3, line 4 will be reinstated. Mr. Gomez replied yes, the committee already acted on that amendment. Senator Keating asked Mr. Gomez if the amounts change. Mr. Gomez replied yes.

Senator Thayer stated he feels the state of Montana should be coupled with the federal law; it would eliminate confusion.

Senator Keating stated every time there has been a raise in minimum wage there has been an increase in unemployment. Senator Keating said he would not like to see the lower paid employees loose their jobs.

Senator Gage stated he was under the impression the reason for not coupling was to solve the problems of firemen. Senator Haffey stated this is being covered elsewhere in the language of the Fair Labor Standard Act. Being uncoupled establishes the state of Montana's minimum wage and it has the potential of cutting both ways. We do not know what Congress will pass or not pass in the future.

Senator Keating stated a problem with restaurants is that they can add part of the tips to the base wage of their employees, so the employer is actually only paying \$2 per hour. Senator Manning stated it bothered him that some restaurant employers use tips as part of the wage base. Senator Haffey stated his purpose for this bill was to take care of the AFLSA problem.

DISPOSITION OF SENATE BILL NO. 359: Senator Manning made a motion that the amendments be adopted. The motion carried unanimously. Senator Manning made a motion that SB 359 AND AS AMENDED, DO PASS. The motion carried unanimously.

Senator Lynch recessed the committee until 1:00 p.m. this day.

The meeting of the Labor and Employment Relations Committee was reconvened by Chairman Lynch on February 21, 1987, at 1:00 p.m. in Room 331 of the State Capitol.

STATE
OF
MONTANA
ATTORNEY GENERAL
MIKE GREELY

JUSTICE BUILDING, 215 N. SANDERS, HELENA, MONTANA 59620
TELEPHONE (406) 444-2026

20 February 1987

The Honorable J. D. Lynch
Chairman
Senate Committee on Labor
and Employment
Capitol Station
Helena MT 59620

Dear Senator Lynch:

You have requested additional information concerning Senate Bill 359 and the amendments offered at the hearing on February 19, 1987.

Under the current state of the law, and as interpreted by the Attorney General in 41 Op. Att'y Gen. No. 58 (1986), an employee who is covered by and not specifically exempt from the provisions of the federal Fair Labor Standards Act is not subject to any of the provisions of the Montana Minimum Wage and Maximum Hours Act.

Under SB359 as introduced, an employee who is covered by the federal Fair Labor Standards Act would be subject to the minimum wage provisions of the Montana Act, if the Montana Act established a higher minimum wage than did the federal Act. The bill would ensure that tipped employees received the minimum wage established by Montana law.

Amendments 3 and 4 could potentially create a conflict between federal and state law, as the amended section would have state law supersede federal law in all circumstances. Federal law does allow the state to establish a higher minimum wage and/or a lower maximum work period. The Montana Act provides that hours in excess of 40 in a workweek must be compensated at one and one-half times the hourly wage. Federal law, however, allows an exception for law enforcement and fire protection employees, whereby a longer work period may be established for scheduling flexibility. Federal law also establishes a higher maximum number of hours for law enforcement and fire protection employees. Further, state and local government employees may agree to receive compensatory time at time and one-half in

The Honorable J. D. Lynch

Page 2

20 February 1987

lieu of overtime payments. Amendments 3 and 4 would have the effect of eliminating the federal exceptions for law enforcement and fire protection employees, and could affect the compensatory time exception for state and local government employees. The bill with these amendments should then have a fiscal note.

Very truly yours,

PATRICIA J. SCHAEFFER
Assistant Attorney General

cc: Senator Jack Haffey

ROLL CALL

LABOR AND EMPLOYMENT RELATIONS COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date Dec 2

NAME	PRESENT	ABSENT	EXCUSED
John "J.D." Lynch Chairman	X		
Gene Thayer Vice Chairman	X		
Richard Manning	X		
Thomas Keating	X		
Chet Blaylock	X		
Delwyn Gage	X		
Jack Haffey	X		
Jack Galt	X		

Each day attach to minutes.

ROLL CALL VOTE

SENATE COMMITTEE LABOR AND EMPLOYMENT RELATIONS

Date Dec 21 1987 Bill No. SB 359 Time 9:15 a.m.

NAME	YES	NO
John "J.D." Lynch, Chairman	X	
Gene Thayer, Vice Chairman	Y	
Richard Manning	X	
Thomas Keating	✓	
Chet Blaylock	✓	
Delwyn Gage	✓	
Jack Haffey	✓	
Jack Galt	✓	

Julie Rademacher
Secretary

John "J.D." Lynch
Chairman

Motion: Do Pass As Amended

STANDING COMMITTEE REPORT

February 21

37

..... 19.....

MR. PRESIDENT

SENATE BILL

We, your committee on.....LABOR AND EMPLOYMENT RELATIONS.....

having had under consideration...SENATE BILL..... No.359.....

~~(first)~~..... reading copy (white)
color

REVISE THE STATE MINIMUM WAGE LAWS

SENATE BILL

359

Respectfully report as follows: That..... No.....

1. Title, lines 4 through 6.

Following: "AN ACT"

Strike: remainder of line 4 through "," on line 6

Insert: "TO AMEND SECTIONS 39-3-402 AND 39-3-408, MCA,"

2. Title, line 8.

Following: "ACT"

Strike: ", "

3. Title, lines 9 and 10.

Following: ";

Strike: remainder of line 9 through ";" on line 10

Following: "PROVIDING"

Insert: "AN"

Following: "EFFECTIVE"

Strike: "DATES"

Insert: "DATE"

4. Page 2, line 22 through page 4, line 3.

Strike: Section 2 in its entirety

Re-number: subsequent sections

5. Page 4, line 5.

Following: "cumulative."

Insert: "(1)"

DO PASS

DO NOT PASS

(CONTINUED)

.....
Chairman.

February 21, 1937.....

6. Page 4, lines 9 through 10.

Following: "except"

Strike: remainder of lines 9 and 10 in their entirety

Insert: "as provided in subsection (2).

(2) Sections 39-3-402 and 39-3-404 shall apply to an employee covered by the Fair Labor Standards Act if state law provides a minimum wage that is higher than the minimum wage established under federal law."

7. Page 4, lines 11 through 14.

Strike: Section 4 in its entirety

Re-number: subsequent sections

8. Page 4, line 19 through line 1, page 5.

Strike: Sections 6 and 7 in their entirety

Insert: "NEW SECTION. Section 5. Effective date. This act is effective January 1, 1938."

AND AS AMENDED,
DO PASS

.....
Sen. John "J.D." Lynch

STATUS SHEET

50th LEGISLATIVE SESSION

BUSINESS AND LABOR

COMMITTEE

SENATE BILL NUMBER	ENTERED COM. DATE	DATE CON- SIDERED	OUT OF COM.	DO PASS DATE	DO NOT PASS DATE	DO PASS AS AMENDED DATE	DO NOT PASS AS AMENDED DATE	BE CON- CURRED IN DATE	BE NOT CON- CURRED IN DATE	BE CON- CURRED IN AMENDED DATE	BE NOT CONCURRE IN AS AMENDED DATE
299	2/24/87	3/13/87	3/13/87					3/13/87			
313	2/24/87	3/13/87	3/13/87							3/13/87	
314	2/24/87	3/13/87	tabled 3/13/87								
315	3/3/87	3/9/87	3/26/87							3/26/87	
318	2/23/87	3/18/87	3/18/87					3/18/87			
319	2/24/87	3/13/87	tabled 3/13/87								
328	3/3/87	3/10/87	3/26/87							3/26/87	
341	3/3/87	3/10/87	3/20/87							3/20/87	
353	3/13/87	3/20/87	3/26/87							3/26/87	
359	3/3/87	3/18/87	3/18/87							3/18/87	
360	3/3/87	3/18/87	3/20/87					3/20/87			
364	3/03/87	3/11/87	3/11/87					3/11/87			
371	3/13/87	3/20/87	3/26/87							3/26/87	
374	2/24/87	3/17/87	3/17/87					3/17/87			

Use a separate sheet for Senate Bills, House Bills, and Resolutions.

MINUTES OF THE MEETING
BUSINESS AND LABOR COMMITTEE
50TH LEGISLATIVE SESSION

March 18, 1987

The meeting of the Business and Labor Committee was called to order by Chairman Les Kitselman on March 18, 1987 at 8:00 a.m. in Room 312-F of the State Capitol.

ROLL CALL: All members were present.

SENATE BILL NO. 359 - Provide That State Minimum Wage Applies to Employees Covered by Federal Law, sponsored by Senator Jack Haffey, Senate District No. 33, Anaconda. Sen. Haffey stated this bill allows the state minimum wage law to apply to employees covered by the Fair Labor Standards Act and to exclude tips from the minimum wage paid to Montana employees.

PROPOSERS

Barbara Archer, representing Women's Lobbyist Fund. Ms. Archer stated this bill would correct the discrepancy that arose as a result of an April, 1986 Attorney General's opinion. Because of this opinion some restaurants have been paying less than the minimum wage of \$3.35. Businesses that gross over \$362,500 can let tips from customers make up 40% of the minimum wages that businesses should be paying, which means they are paying their waitresses just \$2.01 per hour, and small businesses are still required to pay them at least \$3.35 per hour. She presented a fact sheet. Exhibit No.1.

Jack Zink, representing the Montana AFL-CIO. Mr. Zink stated it was their opinion that the intent of the 1985 Montana legislature was to guarantee Montana's minimum wage of \$3.35 to all Montana workers, even if their vocations entitled them to patron gratuities such as tips. He presented written testimony on behalf of Jim Murry, Executive Secretary, AFL-CIO.

Seymore Flanagan, representing Hotel, Restaurant and Bartenders Union. Mr. Flanagan stated it was their understanding when the law was passed in 1985 that the minimum wage would be \$3.35, and now the new law circumvents that. He urges passage of this bill.

OPPOSERS

None.

QUESTIONS

None.

CLOSING

Senator Haffey stated that there was no reason for the effective date of January, 1988, and suggested that the committee consider making it effective on passage and approval.

SENATE BILL NO. 318 - Allow Sale of Liquor-Filled Candy, sponsored by Senator Judy Jacobson, Senate District No. 36, Anaconda. Senator Jacobson stated this bill authorized the sale of candy containing up to 5% of alcohol by volume, providing the state liquor code does not apply to candy containing alcohol, and exempting candy containing up to 5% of alcohol by volume from the adulterated food law.

PROPOSERS

John Jarvis, representative from Winters Liquor Chocolate Company. Mr. Jarvis stated the candy is a confection item. He said that there is a lot of products that contain more than 5% alcohol that children have access to, such as Scope mouth wash, cough drops, and different flavorings for baking. He said the liquor-filled candy referred to in the legislation was intended for adult consumption, and a child would not buy or eat these particular chocolates.

OPPOSERS

Jon Hurst, Manager, State Government Relations, Hershey Foods Corporation. Mr. Hurst stated it should be noted that their corporation is on record as indicating they have no intention to manufacture or distribute such products, and stated there are enough problems with liquor use and it doesn't have to be candy coated for children. He submitted written testimony and other material. Exhibit Nos. 3-7.

Mike Murray, representing 37 Chemical Dependency Programs of Montana. Mr. Murray distributed a sample of the candy that is legal in New Jersey with an August 1986 expiration date. He said one of the problems with the product is that there was no indication of the alcohol content on the label even though it was a liquor-filled candy product. He stated SB 318 will change a liquor item to a food item available to unsuspecting minors. He said the candy could be harmful to people who are alcoholics.

QUESTIONS

Rep. Wallin asked if the candy would enhance the life of children to have this available. Senator Jacobson responded

Rep. Wallin moved a substitute motion that Senate Bill No. 318 BE NOT CONCURRED IN. The motion failed.

Rep. Pavlovich moved that Senate Bill No. 318 BE CONCURRED IN. The motion carried 10 to 8.

Rep. Pavlovich will carry the bill in the House.

ACTION ON SENATE BILL NO. 359

Rep. Thomas moved that Senate Bill No. 359 BE CONCURRED IN.

Rep. Driscoll moved the amendments to Senate Bill No. 359. The motion carried unanimously.

Rep. Thomas moved SB 359 BE CONCURRED IN AS AMENDED. The motion carried unanimously.

Rep. Thomas will sponsor the bill in the House.

ACTION ON SENATE BILL NO. 328

Rep. Simon stated that the bill still has problems and the subcommittee agrees that there are too many problems and amendments that have to be worked out, given the time constraints. He said the recommendation from the subcommittee is that the committee draft a committee resolution to address (1) the legislative policy to give the various state agencies that do internal printing the authority whenever possible to give the printing to the private sector not do it in-house; (2) to address specifications; (3) that the advisory council on printers be reactivated, and (4) to call for a legislative study into this issue.

Rep. Hansen moved that Senate Bill No. 328 BE TABLED. The motion failed.

Rep. Simon moved to draft a committee resolution to deal with certain policies of the printing issues in the state. The motion carried with Rep. Grinde, Rep. Jones, and Rep. Thomas opposed.

ACTION ON SENATE BILL NO. 213

Rep. Brandewie moved that Senate Bill No. 213 BE CONCURRED IN.

Rep. Brown moved the amendments to Senate Bill No. 213. The motion carried unanimously.

DAILY ROLL CALL

BUSINESS & LABOR

COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date MARCH 18, 1987

NAME	PRESENT	ABSENT	EXCUSED
REP. LES KITSELMAN, CHAIRMAN	1		
REP. FRED THOMAS, VICE-CHAIRMAN	1		
REP. BOB BACHINI	1		
REP. RAY BRANDEWIE	1		
REP. JAN BROWN	1		
REP. BEN COHEN	1		
REP. JERRY DRISCOLL	1		
REP. WILLIAM GLASER	1		
REP. LARRY GRINDE	1		
REP. STELLA JEAN HANSEN	1		
REP. TOM JONES	1		
REP. LLOYD MCCORMICK	1		
REP. GERALD NISBET	1		
REP. BOB PAVLOVICH	1		
REP. BRUCE SIMON	1		
REP. CLYDE SMITH	1		
REP. CHARLES SWYSGOOD	1		1
REP. NORM WALLIN	1		

WOMEN'S LOBBYIST FUND

Box 1099
Helena, MT 59624
440-7917

3 1787
359

THE INTERPRETATION OF MONTANA'S MINIMUM WAGE LAW FAILS TO MEET LEGISLATIVE INTENT.

SB 359 returns Montana's Minimum Wage Law to where it was before the Attorney General's decision in April, 1986.

Before the Attorney General's opinion in April 1986, when an occupation was covered by both federal and state law, the law providing the most benefits to the employee applied. This is what the federal law requires, and what is done in other states.

After the Attorney General's opinion, when an occupation is covered by the federal law, the state law does not apply.

Federal Labor Standards Act

- tip credits allowed
- \$3.35/hour, or \$2.01
if employees are tipped
- applies only to businesses
grossing over \$362,500

Montana Minimum Wages & Maximum Hours Act

- tip credits not allowed
- \$3.35/hour after 10/1/86
- applies only to areas specifically
exempted from FSLA

Big restaurants can pay tipped employees \$2.01 an hour, but small restaurants are required to pay \$3.35 an hour. Businesses making over \$362,500 annually are subject to the federal law, which allows tips to be used in the computation of 40 percent of the minimum wage, and 40 percent of \$3.35 is \$2.01. However, businesses making under \$362,500 are subject to Montana law, and cannot use tip credits.

WOMEN ARE BEARING A DISPROPORTIONATE BURDEN BECAUSE OF THIS MISINTERPRETATION.

- * Waitresses outnumber their male counterparts 17 to 1 in Montana, according to 1980 census data.
- * 23 percent of working women are employed as service employees, according to the U.S. Department of Labor's 1985 statistics. This includes health service workers, however, who are not tipped.
- * The poverty rate for households headed by women is six times that of households headed by men nationwide. (Women's Economic Agenda, July, 1984).
- * Women are 80 percent of AFDC recipients and 60 percent of all social service recipients nationwide. (Women's Economic Agenda, July, 1984).

When employers start paying their workers enough money to feed their families, taxpayers will stop subsidizing women's wages.



ENCLOSURE
DATE 3-18-87
HB 3B 359

Box 1176, Helena, Montana

JAMES W. MURRY
EXECUTIVE SECRETARY

ZIP CODE 59624
406 442-1706

TESTIMONY OF JACK ZINK ON SENATE BILL 359 BEFORE THE HOUSE BUSINESS AND
LABOR COMMITTEE, MARCH 18, 1987

Good morning, Mr. Chairman and members of the committee. For the record, my name is Jack Zink and I am here today representing the Montana State AFL-CIO. I am presenting this testimony on behalf of Executive Secretary Jim Murry as he has a scheduling conflict today and cannot be available for this hearing.

Members of the committee, our organization's support of Senate Bill 359 reflects a desire to correct a discrepancy within Montana's wage and overtime statutes that was caused by an act of congress and subsequent interpretation by Montana's attorney general.

In 1986, the congress amended the Fair Labor Standards Act and applied its provisions to employees -- particularly certain public employees -- not previously covered under the federal Fair Labor Standards Act (FLSA.)

Following this congressional action, the Lewis and Clark County Sheriff's Department requested a Montana attorney general's ruling on the applicability of the Fair Labor Standards Act, as amended, and its effects on Montana's minimum wage and overtime statutes.

The effect of the Montana attorney general's ruling is that wherever the Fair Labor Standards Act applies, state laws are no longer applicable.

The implications of this decision extended far beyond sheriff's deputies or even all covered public employees. The attorney general's opinion regarding the Fair Labor Standards Act applies to private sector employees in Montana as well.

This application of the Fair Labor Standards Act effectively reversed a decision by the 1985 legislature to raise Montana's minimum wage to \$3.35, without off-setting reductions for tipped employees.

Let me explain: Under federal law, employers covered under the FLSA may withhold up to 40 percent of minimum wages paid, which must then be made up by tips (gratuities) received by employees.

For example, employees covered under FLSA guidelines must currently receive a \$3.35 per hour minimum wage. An employer may pay as little as \$2.01 per hour in wages, so long as the employee receives tips of at least \$1.34 per hour.

In 1985, the hotel and restaurant industry joined with workers and other employers to support raising Montana's minimum wage to \$3.35 per hour with no off-set of wages resulting from tips paid to employees.

In fact, each of Montana's minimum wage levels established before the \$3.35 per hour floor was enacted, were recognized by all Montana industries as the minimum hourly compensation to be paid solely in wages.

Unfortunately, the attorney general's decision negated the intent of the 1985 legislature by issuing its broad application of the FLSA.

We stand before you today to state our firm belief that standards set forth by Montana's minimum wage and overtime laws should be the minimum acceptable for all workers, regardless of FLSA guidelines.

It is our opinion that the intent of the 1985 Montana legislature was to guarantee that Montana's minimum wage of \$3.35 would be the minimum wage paid to all Montana workers, even if their vocations entitled them to patron gratuities such as tips.

For this reason, we urge you to support Senate Bill 359.

COMMITTEE

SPONSOR SENATOR JACK HAFFEY

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

STANDING COMMITTEE REPORT

MARCH 13

19 37

Mr. Speaker: We, the committee on BUSINESS AND LABOR

report SENATE BILL NO. 359

☐ do pass

☐ do not pass

☒ be concurred in

☐ be not concurred in

☒ as amended

☐ statement of intent attached

REP. LES KITSELMAN

Chairman

AMENDMENTS AS FOLLOWS:

1) Title, line 12

Strike: "A DELAYED"

Insert: "AN IMMEDIATE"

2) Page 5, line 11

Strike: "JANUARY 1, 1938"

Insert: "on passage and approval"

REP. FRED THOMAS will sponsor

THIRD

BLUE

reading copy ()
color